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MEMORANDUM FOR: Deputy Director for Intelligence

1. You suggested during the FBIS Bureau Chiefs' conference that it would be timely for us to set forth our views on the likely impact on FBIS of any reorganization of the Intelligence Community. We agree, for we fear that the problems inherent in FBIS' anomalous position as the only intelligence component operating overtly overseas could escape consideration. We are convinced that the ideal situation is for FBIS to remain allied with DDI production offices, and this is the thrust of this paper. Should present circumstances change, i.e., if FBIS were not able to operate abroad as part of an intelligence organization, other arrangements would be necessary and they are also discussed.

2. Certain facts about FBIS should be kept in mind:

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Without a total change in physical locations and foreign personnel, FBIS cannot operate covertly abroad. In practical terms, this is not an option.

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hand FBIS is a fairly discrete organization having a charter as the sole collector from a single source, the foreign media, for service of common concern. It has a well-established identity and its own channels of communications, direction and control. A transfer could probably be accomplished with little immediate impact on operations assuming FBIS could maintain its staff intact and a transfer of support responsibilities could be arranged.

FBIS collection is responsive to guidance provided by all levels in the CIA production offices. Collocation with these offices fosters that guidance. On the other hand, many important consumers outside CIA, for example, NSC Staff, State and Defense Departments, also depend on FBIS.

FBIS began in FCC and once was in the Department of Army. It served the U.S. Government well enough during World War II to justify the continuance of its mission after the war. Its location within CIA therefore is not a prerequisite to continuance of its overt collection function.

3. After weighing these and less tangible factors, we conclude that it would be in the best interest of FBIS overseas operations, which are most vulnerable, if FBIS stayed with the production offices and if the overt collecting and production elements of CIA were separated from the clandestine services. FBIS would thus become part of a new overt intelligence organization--sort of an augmented DDI--which would not have direct covert associations. Our present reading is that such a major revision of CIA is unlikely.

Nonetheless, briefly stated, the pros and cons for FBIS would be:

PRO

A more defensible image abroad.

Continued close association with our consumers in the production offices.

CON

FBIS would continue to be the sole collector among producers with requirement, resource and management problems related to overseas operations which are uncommon to production offices.

4. If CIA is not split up, we see little reason for a significant change in our affiliation with the production offices. The advantages of this collocation have been proven by time and are well understood: coordination between collectors and producers, and desk-to-desk liaison from top to bottom, are well honed. Rotation and reassignment of personnel are useful and increasing. The peculiarities of FBIS are reasonably well understood by all managers in the Directorate. Most importantly, no alternative affiliation suggested by anyone offers any substantial advantage to FBIS or to the community. While these alternatives might become more attractive if hostility to our presence abroad increased, we seem to have weathered the worst of the anti-intelligence campaign. No major communist country has chosen to make a serious issue out of FBIS operating in any country, though the point sporadically is taken up by local leftist groups. The FBIS presence could become a live issue anywhere we are located abroad, but our passive and open mission normally lacks the political pizzazz to make it one.

5. There are two possibilities for relocating FBIS which should be dismissed out of hand. One would lump FBIS with all other collectors including the clandestine service. This may have a surface logic, but it has a fatal flaw--FBIS could not continue to operate overtly overseas in direct association with a clandestine service. The other calls for performance of the FBIS mission on commercial contract. This would reduce responsiveness and render field reporting even more vulnerable to foreign interference.

6. Should the time come that FBIS can no longer operate overseas as an affiliate of CIA or any other organization containing clandestine elements, some change in our organizational housing would become mandatory. A range of options is discussed in the attachment, listed according to our current view of their acceptability to FBIS. Should it become necessary to settle on any of these choices, it would be extremely important to resolve or avoid in advance the potential difficulties noted.

7. To sum up, we are concerned that the peculiar requirements of FBIS as the only CIA component which tries to operate overtly overseas could be overlooked in any reshuffling of Intelligence Community responsibilities. After studying all of the proposals

we have heard so far for such a restructuring, we conclude that it is in the best interest of the Intelligence Community for FBIS to remain associated with the production elements, as it is now. Should it become necessary for FBIS to be affiliated with another group or organization, it is essential that certain safeguards be taken to insure our ability to conduct our mission. The unique needs of FBIS should be considered at the appropriate level before not after decisions are taken.



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Director
Foreign Broadcast Information Service

Attachment:
As stated

Distribution:
Orig. & 1 - Addressee
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